

THEORETICAL AND PRACTICAL BASES OF INVESTMENTS AND PROCESSES OF THEIR DISTRIBUTION IN THE CONDITIONS OF MODERNIZATION OF ECONOMY

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ABSTRACT

The article describes the process of investment and their distribution in the context of modernization of the economy and the development of science-based measures to ensure sustainable growth of enterprises, global competitiveness - an in-depth and comprehensive analysis of factors affecting investment efficiency.

Keywords: investment, investment portfolio, investment project, global competitiveness, modernization, foreign investment.

1. INTRODUCTION

In the world economy, it is important to provide production with new equipment and technologies, to have a place in the international market, to attract investment in the economy to produce competitive and quality products, their effective use. According to the United Nations, "Globally, foreign direct investment in international companies will reach 1.81 trillion in 2020. In US dollars, it increased by 16% compared to 2019. This, in turn, requires taking into account risk factors in the methods of assessing the effectiveness of investments in the context of volatility and uncertainty of the world market, the regulation of investment and its proper distribution between regions and economic sectors.

To anticipate problems such as the unprofitability of investments in the world economy or to limit the full capacity of the production process as a result of underestimation of the risks and dangers of effective use of investment, and to develop science-based measures to promote sustainable growth, global Ensuring competitiveness requires an in-depth and comprehensive analysis of the factors affecting investment efficiency, identifying quantitative links between them.

2. LITERATURE REVIEW

J.Buckley, D.Kuchta, C.Kahraman on the basis of uncertain financial indicators of the net present value of the investment project and the rate of internal return on the issues of obtaining evaluation indicators of the investment project in the form of uncertain numbers, the formation of an optimal investment portfolio based on uncertain estimates , D.Ruan, E.Tolgalar, RPMohanty, R. Agarwal, L.Dimova., P.Sevastianova, Alison K McCowan, P.Samuelson, G.Alexander, Dj.Baylee, Lawrence Dj on multi-criteria uncertain evaluation of investment projects. Gitman, Michael D. Djonk, K.R. McConnell, and S.L. Brule conducted the research.

In the CIS countries E.V.Mikhaylova, N.D.Guskova, I.N.Kravovskaya, Yu.Yu.Slushkina, V.I.Makolev, O.S.Sukharev, S.V.Shmanev, A.M.Kuryanov and VV Mishchenko worked on theoretical aspects of investment flow management in separate sectors, including the problems of attracting investment

in industrial development.

S.S. Gulamov, B.Yu. Khodiev, Sh. Shodiev, B.B. Berkinov, A.N. Kravchenko, Y. Abdullaev, R.Sh. Gulomov, B.Yu. Khodiev, Sh. Shodiev, methods of improving the investment climate in our country, methods of effective use of investments and their improvement. It can be seen in the works of such scientists as H. Alimov, B.T. Salimov, N.M. Mahmudov, D.M. Rasulev. It is of scientific and practical interest to develop a system of econometric and economic-mathematical models, taking into account the current state and prospects of development of the national economy, the conditions of modernization and technical and technological re-equipment of enterprises.

3. ANALYSIS AND RESULTS

The ultimate goal of achieving the long-term strategic goal of economic development of the Republic of Uzbekistan began in the early days of independence. Structural changes aimed at increasing Uzbekistan's competitiveness and strengthening its position in the world market, as well as the policy of accelerated development of modern high-tech industries and production sectors, need to continue as a key priority.

It is important to attract investment to boost the economy, to build new enterprises equipped with modern equipment and technologies, or to reconstruct existing ones. This, in turn, provides an opportunity to address the most important social problems, such as economic development, employment, increase in wages and incomes.

Without attracting investment, especially without expanding the participation of investment in leading sectors, it is impossible to implement and modernize structural changes in the economy, re-equip enterprises with modern equipment and launch the production of competitive products. Attracting investments to the country's economy will accelerate the expansion of its economic potential, ensure the economic power of the republic through the use of domestic potential and resources in all areas, the development of new equipment and technology, export-oriented products, their production.

As investment is one of the factors influencing the development of the economy and the investment process is the main basis for the restructuring of the economy, scientific research and development is being carried out to develop and improve this sector. When conducting research on investment, first of all, it is necessary to know the concept of "investment". In this sense, it is worth quoting a number of economists' definitions of the concept of "investment". To date, the concept of investment has been defined differently by economists. The word investment is derived from Latin, and "invest" literally means to invest, to invest, to invest, and is defined as to invest, to invest capital, or to invest capital.

Economists have interpreted investment in the following economic contexts, most notably the Nobel Laureate in Economics, U.F. According to Sharp, "Investments are the abandonment of a certain value at the moment in order to gain value in the future". K.R. McConnell and S.L. The following Brue's definition of investment is similar in meaning to the concept of capital investment: "Investment is the increase in material resources, the accumulation of means of production, and the cost of production." It is known from the experience of developed countries that attracting foreign investment to the national economy is a key factor in equipping industrial enterprises with advanced technology, as well as ensuring the production of high quality products.

D.M. In his Dictionary of Investments, Rosenberg defines investment as the idea that investment is the expenditure of money for the purpose of multiplying, making a profit, or raising capital. Assessing the role of investment in the national economy, the Russian economist E.V. Mikhailova argued that "investment is defined as the placement of capital in any form for the purpose of obtaining income or social benefits in the future."

American economists L.Dj. Gitman, M.D. Djonk's Fundamentals of Investment states: "Investment is the placement of capital in such a way as to maintain or increase the value of capital expended and to ensure a positive level of return." It would be appropriate to ponder around the idea that the value of capital spent here should be maintained. Because always the goal of the investment is to make a profit, otherwise the focus is on at least compensation.

Economists have also defined the concept of investment in attracting foreign investment to the Uzbek economy and its role in the economy.

The Law of the Republic of Uzbekistan "On Investment Activity" adopted on December 24, 1998 defines the term investment as follows: investments are tangible and intangible benefits and rights to economic and other activities. Having studied and analyzed in depth and in detail the scientific views and definitions of the above scholars on foreign investment, U. Sharp's definition of investment is that if the current value is waived, it is expected to generate income from it in the future, but it does not provide for various economic and financial guarantees. K.R. McConnell and S.L. Brew's definition of investment is described in a relatively perfect and classic way, but today there are also investments focused on intangible resources, which are not included in the definition. Dj.M. Rosenberg only recognized the investment as a monetary expenditure.

Foreign direct investment is a foreign investment made by foreign investors in the form of financial or intangible benefits and rights to businesses and other entities in the national economy, without state guarantees, which reflect the purpose of profit and long-term benefits.

In indirect investments, investors' capital investments are made through other persons (financial

intermediaries).

Portfolio investment - refers to the purchase of a certain part of the securities of the enterprise. Based on these 2 different views apply, they are financial instruments; engaged in the activities of organized and unorganized financial markets.

Real investment is an investment in the assets of a business entity in solving its socio-economic problems. These also follow two main types, which are engaged in activities that involve the mobilization of financial, property, intellectual and other resources as well as direct production.

Financial investments are capital in various forms of finance, mainly investing in securities or other assets of an enterprise. They are issued securities and deposits in banks for a certain period of time.

The expected level of net income of high-yield investments is invested in investment projects and financial instruments that are significantly higher than the average rate of return in the investment market.

Capital investments are investment projects and investments in financial instruments, where the expected level of net investment income is approximately equal to the average rate of return generated in the investment market.

Low-income investments are those in which the expected level of net investment income is significantly lower than the average rate of that return.

The investor does not choose the investment objects within the non-profit investment group in order to receive the investment income. Such investments typically involve the achievement of social, environmental, and other non-economic benefits. Objects (instruments) of a highly liquid type of investment include those that can be quickly converted into cash without significant loss of current market value. Its main type is financial investment.

Objects that can be converted into cash over a period of one to six months without significant loss of current market value are called medium-liquidity investments.

Low-liquid investments are objects that can be converted into cash in the long run (six months or more) without losing current market value. The main types of low-liquidity investments are unfinished obsolete technology investment projects, shares of enterprises that are less popular in the stock markets.

Investments that are not made independently are called illiquid investments. They can be sold in investment markets as part of an entire property complex.

Private investment is characterized by capital investments of individuals and legal entities in the form of non-state ownership.

Public investment is characterized by state-owned enterprises, various levels of the state budget and state extra-budgetary funds.

In mixed investments, both private and public capital are included in the investment objects.

It should be noted that whatever the form of investment, it can develop a competitive environment, accelerate the production of competitive products or directly bring and diversify new modern innovative, advanced techniques and technologies, accelerate the production of high quality products or existing products. a replacement product is produced. Creating a favorable investment climate in the country is one of the important foundations for the development and implementation of investment activities.

In the concept of investment, terms such as investment activity and investment processes are also used many times at the same time. It is therefore expedient to understand what their content and essence are.

N.D. Guskova, I.N. Kravovskaya, Yu.Yu. Slushkina, V.I. Makolev's book "Investment Management" defines investment activity as the investment and implementation of practical actions by legal entities and individuals in order to make a profit and achieve exceptionally beneficial results. This definition implies investment, ie the conversion of resources into specific objects of investment activity and the conversion of investments into capital value, as well as the achievement of social benefits in the realization of the ultimate goal of profit or investment activity.

"Ekonomicheskaya otsenka investitsiy" O.S. Suxarev, S.V. Shmanev, A.M. In the Kuryanovs' book, investment activity is classified according to the level of management, its main dimensions, content, objectives, methods of implementation and planned results are considered. The differences are determined by investment opportunities, constantly mobilized resources.

The Law of the Republic of Uzbekistan "On Investment Activity" defines "Investment activity - a set of actions of investment activities related to the implementation of investments."

If we look at the definitions given to the investment process, V.V. Mishchenko's book "Investment Management" describes: "The investment process - the process of expansion and renewal of capital in the real sector of the economy, accompanied by a gradual change in the technological order of society." aimed at demonstrating the relationship between the subjects.

The second stage of the investment process, known as the analysis of supply and demand, involves the study of specific types of investment within the main categories mentioned above. One of the goals of such research is to scientifically substantiate and identify investment projects that are currently thought to be misjudged.

The third stage of the investment process involves the formation of investment funds, the determination of specific assets for investment, as well as the distribution of the invested capital between the assets. This raises the issues of selectivity, timing of operations and diversification. Selectivity, also called

microp forecasting, is related to the analysis of securities and is related to forecasting the price dynamics of certain types of securities. The timing of operations or macro-forecasting involves forecasting changes in the price level of an investment project relative to the prices for fixed-income fund instruments.

The fourth stage of the investment process - reconsideration of risk and payback periods - involves periodic repetition of the previous three stages. That is, over time, investment goals may change, resulting in an increase in investment efficiency and a retreat in coverage that may not have the expected outcome. At this time, it is necessary to diversify and form an investment fund to reduce the risk within certain limits. The decision to reconsider the risk and payback period depends, among other factors, on the amount of transaction costs and the expected return on investment.

The fifth stage of the investment process is the evaluation of investment efficiency, which includes periodic assessments such as the return on income and the risk indicator. This requires the use of favorable standards of profitability and risk, as well as specific relevant standards for comparison. Completion of these steps constitutes an investment process. The activity of the investment process depends on the investment climate created in the country.

In research, the concept of "investment climate" is interpreted differently, along with the factors that affect it. The 2005 World Development Report states that "the investment climate is a set of factors that determine the capabilities of companies and create a force that is unique to each location and encourages them to invest effectively, create jobs and expand their operations."

V.P. Zhdanov's definition of "investment climate" is a set of financial and political factors that determine the attractiveness of investment and the level of risk" is one-sided. Because the risks have been taken into account financially and politically. In this regard, it would be expedient to take into account the socio-economic risks.

Summarizing the above classification approaches, we consider it appropriate to define an investment environment as an environment in which financial or material resources are attractive to the economy due to the absence of socio-economic and political risks, the stability and improvement of the regulatory framework.

As the investment climate in the country improves, the volume of investment in the economy, especially foreign investment, will increase. This puts another responsibility on the country's economy, that is, the effective use of investments. To do this, first of all, it is necessary to properly organize the direction and distribution of attracted investments. It is usually necessary to know the laws of distribution of discrete and continuous random quantities when it comes to distribution.

Discrete random variables and their distribution laws.

The acceptable values of a random quantity X and the probabilities of accepting these values are called the distribution law of a random quantity R .

$$\text{Binomial distribution law } P_n(k) = \frac{n!}{k!(n-k)!} p^k (1-p)^{n-k}, k = \overline{0, n}$$

$$\text{Poisson's distribution law } P_k = \frac{\lambda^k}{k!} e^{-\lambda}, \lambda > 0, k = 1, 2, \dots$$

$$\text{The law of geometric distribution } p_k = p(1-p)^{k-1}, k = 1, 2, \dots$$

The law of distribution of continuous random quantities

λ exponential distribution of a continuous random quantity by a parameter

$$\text{Differential distribution function - } f(x) = \begin{cases} 0, & x < 0 \\ \lambda e^{-\lambda x}, & x \geq 0 \end{cases}$$

$$\text{Integral distribution function - } F(x) = \begin{cases} 0, & x < 0 \\ 1 - e^{-\lambda x}, & x \geq 0 \end{cases}$$

The probability in the range of normally distributed random variables is determined by the following formula:

$$P(x_1 \leq X \leq x_2) = \Phi\left(\frac{x_2 - \mu}{\sigma}\right) - \Phi\left(\frac{x_1 - \mu}{\sigma}\right)$$

Here: $\Phi(z) = \frac{1}{\sqrt{2\pi}} \int_{-\infty}^z e^{-\frac{z^2}{2}} dz$ - Laplace integral function, the value of which is determined from the

table.

According to the three sigma rule: if a random quantity is normally distributed, then it is practically reliable, i.e., its values with a probability of close to 1 $[\mu - 3\sigma; \mu + 3\sigma]$ lies in the interval.

In the cross-sectoral distribution of investments, it would be fair to distribute to leaders on the basis of clear financial results, because the main benefit from the sector is the most important result. The volume of investments in the country's economy should be sufficient to provide the sectors with sufficient funds. This requires more foreign investment in the country's economy. Of course, profit plays an important role in attracting foreign investment, and this is an indicator that attracts investors. However, in some cases, the presence of problems with the concealment of tax benefits leads to the non-transparency of enterprises and reduces the inflow of foreign investment. To this end, it is desirable to further improve the country's investment

climate and ensure data transparency.

4. CONCLUSION/RECOMMENDATIONS

In the distribution of investment, first, in accordance with the basic assumptions of neoclassical growth models and as a result of the law of direct marginal productivity reduction, it is necessary to prevent a decrease in labor productivity due to an increase in investment in labor.

Second, the inter-sectoral distribution of investments differs from the inter-sectoral distribution of income in all regions of the country, ie mainly from the inter-sectoral distribution of investments in fixed assets, which requires taking into account the return on investment over time. The largest share of investments in sectors in Uzbekistan is in the service sector - 42.4%. As a result, the work done in the service sector in 2020 amounted to 47.3% of GDP. Together with the volume of gross industrial output, the construction sector accounted for 33.5%, and the share of agricultural GDP in GDP was 19.2%.

Third, the interdependence of balanced financial results in the intersectoral distribution of investments and the fact that investments in fixed assets in the context of industries give a strong positive result, it is necessary to pay attention to this situation. These indicators are increasingly reflected in the interrelationships of each sector, including logistics, trade and repair.

Attracting foreign investment in priority areas of sustainable development of the national economy is one of the most important tasks in ensuring the welfare and employment of the population.

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